

## LETTERS TO THE EDITOR

### Dear CrossTalk Editor:

Don Reifer states in his article [CrossTalk, Mar. 2002] "Let the Numbers Do the Talking" that he is getting tired of being misquoted. So am I. In my CrossTalk article,<sup>1</sup> I did not state or imply that an uncalibrated software cost model would outperform a calibrated model. All estimating models must be calibrated and validated. The point I raised is that when a user recalibrates an instantiation of a cost model, the instantiation must be revalidated as a new model. The models no longer have the same characteristics.

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1. Jensen, R. "Software Estimating Model Calibration." CrossTalk July 2001: 13-18.

### Dear CrossTalk Editor:

Since my article "Let the Numbers Do the Talking" was published in the March 2002 CrossTalk, two questions relative to Table 2 and Table 3 keep popping up in e-mails sent to me. I hope the following clarifications will resolve the issues for everyone interested.

Table 2 – The cost per staff month of \$12,000 reflects burdened labor cost exclusive of G&A and profit for typical inexperienced labor mixes across both military and commercial domains. This is the internal cost of a person. It is not the price charged when the services of a person are sold to a third party (another division, government customer, etc.).

The price per person-month varies greatly by industry because of skill mix, experience, and business practices. For example, the average price per person-month for a regular

For example, REVIC (a recalibration of COCOMO) and COCOMO are not the same estimating model. Because of the differences between the original and recalibrated models, one cannot compare estimates made by COCOMO and REVIC.

Whether a cost model is calibrated or not, when they are put in the hands of untrained, inexperienced estimators, you still get really poor estimates.

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software engineer within the aerospace industry ranges from \$21,000 to \$25,000/person-month. This price reflects a more experienced staff mix than what is normal in the commercial world and additional markups to reflect the high costs of doing business with the government.

In contrast, the internal price that organizations within the telecommunications industry charge other parts of the same firm for services can be as low as a base cost of \$12,000 to \$15,000/person-month. When the labor mix is young, profit doesn't enter into the calculation, and only a very small markup is charged for doing business with a sister organization.

Table 3 – SRR in this table refers to Software Requirements Review, not Systems Requirements Review.

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